

# Supplier Conduct Principles

## Principles for Responsible Supply Chain Management

Pfizer is a founding member and an active participant in the Pharmaceutical Supply Chain Initiative ([PSCI](#)). Working through PSCI, Pfizer and other leading research-based pharmaceutical companies developed the “**Principles for Responsible Supply Chain Management**” ([The Principles](#)) addressing five areas of responsible business practices: Governance and Management Systems, Ethics, Human Rights, Health and Safety, and Environment.

Pfizer is committed to implementing these Principles as our own Supplier Conduct Principles and requires our supply partners to adhere to them or adopt their own codes that include or exceed expectations similar to ours.

[The Principles](#) may be voluntarily supported by any business.

### Companies Supporting the Principles:

- Will integrate and apply these Principles in a manner consistent with their own supplier programs.
- Understand that society and business are best served by responsible business behaviors and practices. Fundamental to this belief is the understanding that a business must, at a minimum, operate in full compliance with all applicable laws, rules and regulations.
- Are aware of differences in culture and the challenges associated with interpreting and applying these Principles globally. While companies supporting the Principles believe that what is expected is universal, it is understood that the methods for meeting these expectations may be different and must be consistent with the laws, values, and cultural expectations of the different societies of the world.
- Understand that the Principles are best implemented through a continual improvement approach that advances supplier performance over time.

### Governance and Management Systems

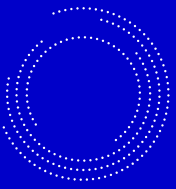
Good governance and management systems are the foundation for compliance with all the PSCI Principles. Suppliers shall use appropriate systems to conduct due diligence on risk and impact, monitor legislation, set priorities, assign responsibility, adopt risk-mitigation measures, and facilitate continual improvement and compliance. The Governance and Management Systems Principles are:

### Culture, Commitment and Accountability

Suppliers shall demonstrate commitment to the concepts described in this document by allocating appropriate resources and identifying senior responsible personnel, thereby creating a culture of responsible practices.

### Legal and Customer Requirements

Suppliers shall identify and comply with applicable laws, regulations, recognized standards, and relevant customer requirements.



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## Risk Management

Suppliers shall have mechanisms to determine and manage risks in all areas addressed by these Principles. Suppliers shall have a management of change process in place to evaluate and control the risk of change.

## Traceability and Control

Suppliers shall have systems in place to carry out due diligence on their own supply chain, including traceability for the sources of raw materials to support legal and sustainable sourcing.

## Training and Competency

Suppliers shall have a training program that achieves an appropriate level of knowledge, skills and abilities in management and workers to address the expectations in these Principles.

## Documentation

Suppliers shall maintain documentation necessary to demonstrate conformance with these Principles and compliance with applicable regulations.

## Continual Improvement

Suppliers are expected to continually improve by setting performance objectives and executing implementation plans. Suppliers shall take necessary corrective actions for deficiencies identified by internal or external assessments, inspections, and management reviews, including the recording and reporting of near-misses, incidents, and incident prevention opportunities.

## Emergency Preparedness and Response

Suppliers shall have effective emergency plans and response procedures.

## Grievance Mechanisms

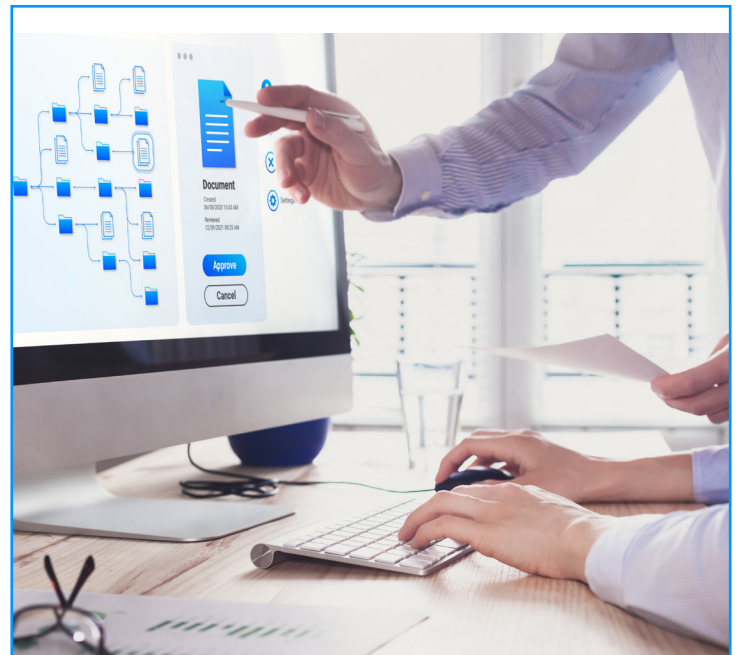
Suppliers shall establish grievance mechanisms accessible to internal and external stakeholders who shall be encouraged to use them to report concerns, illegal activities, or breaches of these Principles at work without threat of or actual reprisal, intimidation, or harassment.

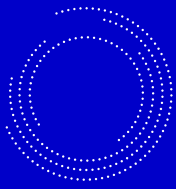
## Response and Remediation

Suppliers shall properly investigate incidents or concerns relating to these Principles, take necessary corrective actions, and provide remediation where required.

## Effective Communication

Suppliers shall have effective systems to communicate these Principles to relevant stakeholders including their workers, contractors, suppliers, and local communities.





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## Ethics

Suppliers shall conduct their business responsibly, ethically, and act with integrity. The Ethics Principles are:

### Patient Safety and Access to Information

Suppliers shall ensure that adequate management systems are in place to minimize the risk of adversely impacting on the rights of patients, subjects, and donors, including their rights to health and to access information directly.

### Anti-Bribery and Corruption

All forms of corruption including, bribery, extortion and embezzlement are prohibited. Suppliers shall not pay or accept bribes or participate in other corrupt inducements in business or government relationships, or through the use of intermediaries to secure an unfair advantage. Suppliers shall ensure they have adequate systems in place to prevent corruption and comply with applicable laws.

## Fair Competition

Suppliers shall conduct their business consistent with fair and vigorous competition and in compliance with all applicable anti-trust laws. Suppliers shall employ fair business practices including accurate and truthful advertising.

## Animal Welfare

Animals shall be treated humanely with pain and stress minimized. Animal testing should be performed after consideration to replace animals, to reduce the numbers of animals used, or to refine procedures to minimize distress. Alternatives should be used wherever these are scientifically valid and acceptable to regulators.

## Data Privacy and Security

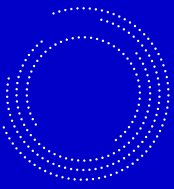
Suppliers shall safeguard and make only proper use of confidential information to ensure that company, colleague, patient, subject, and donor privacy rights are protected. Suppliers shall comply with applicable privacy and data protection laws and ensure the protection, security, and lawful use of personal data.

## Avoidance and Management of Conflicts of Interest

Suppliers shall take reasonable care to identify, avoid, and manage conflicts of interest. Suppliers are expected to notify all affected parties if an actual or potential conflict of interest arises.

## Product Protection and Quality

Suppliers shall ensure that management and security systems protect products, components, and ingredients from the risks of adulteration, falsification, or theft for the purpose of illegal resale.



# Supplier Conduct Principles

## Human Rights

Suppliers shall be committed to respect the human rights of internal and external stakeholders ensuring to treat them with dignity and respect. These Principles describe the rights on which businesses may have the most common and direct adverse impacts. PSCI member companies commit to regularly assess all adverse human rights impacts they may cause or contribute to, through their own business practices, including purchasing and other supply chain practices. The Human Rights Principles are:

### Freely Chosen Employment

Suppliers shall not use forced, bonded or indentured labor, involuntary prison labor, or take part in human trafficking or any form of modern slavery. No worker shall pay for a job or be denied freedom of movement.

### Child Labor and Young Workers

Suppliers shall not use child labor. The employment of young workers below the age of 18 shall only occur in non-hazardous work and when young workers are above a country's legal age for employment, or the age established for completing compulsory education.

### Non-Discrimination

Suppliers shall strive for equality, providing a work environment free from discrimination for reasons such as race, color, age, pregnancy, gender, sexual orientation, ethnicity, disability, religion, or marital status.

### Fair Treatment

Suppliers shall provide a work environment free of harassment, harsh and inhumane treatment, including any sexual harassment, sexual abuse, corporal punishment, mental or physical coercion, or verbal abuse of workers, and no threat of any such treatment.

## Wages, Benefits and Working Hours

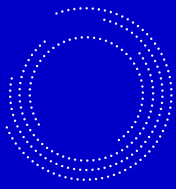
Suppliers shall pay workers according to applicable wage laws and agreed employment contracts, including minimum wages, overtime hours and mandated benefits. Suppliers shall communicate with the worker the basis on which they are being compensated in a timely manner. Overtime work shall be voluntary, and/or consistent with applicable national and international standards. Suppliers are expected to communicate with the worker whether overtime is required and the wages to be paid for such overtime.

### Freedom of Association and Right to Collective Bargaining

Open communication and direct engagement with workers (i.e. social dialogue) to resolve workplace and compensation issues are encouraged. Suppliers shall respect the rights of workers, as set forth in local laws, to associate freely, join or not join labor unions, seek representation and join workers' councils, as well as to bargain collectively. Where the right to freedom of association and collective bargaining is restricted under law, the employer facilitates, and does not hinder, the development of parallel means for independent and free association and bargaining. Workers shall be able to communicate openly with management regarding working conditions without fear of retaliation.

### Local Communities

Suppliers shall respect the rights of the local communities around their sites including the right to a clean and healthy environment.



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## Health and Safety

Suppliers shall provide a safe and healthy working environment and support the wellbeing of workers. Health and Safety measures shall extend to contractors and subcontractors on supplier sites. The Health and Safety Principles are:

### Safety of the Work Environment

Adequate risk assessments and emergency plans shall be in place to ensure the safety of the work environment. Safety information relating to hazardous materials – including pharmaceutical compounds and pharmaceutical intermediate materials – shall be available and used to educate, train, and protect workers from hazards. Suppliers shall demonstrate good housekeeping practice and a culture of safety.

### Worker Protection, Health and Wellbeing

Suppliers shall protect workers from over exposure to chemical, biological, and physical hazards.



Appropriate equipment, facilities, and services shall be provided to support worker safety, health, and wellbeing.

### Process Safety

Suppliers shall have management processes in place to identify the risks from chemical and biological processes and to prevent the catastrophic release of chemical or biological agents.

## Environment

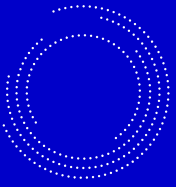
Suppliers shall operate in an environmentally responsible and efficient manner to minimize adverse impacts on the environment, and to help their own suppliers do the same. Suppliers are encouraged to conserve natural resources, reduce greenhouse gas (GHG) emissions, preserve biodiversity, and clean water, and minimize and control the use of hazardous materials. The Environment Principles are:

### Environmental Authorizations and Reporting

Suppliers shall comply with all applicable environmental regulations. All required environmental permits, licenses, information registrations and restrictions shall be obtained, and their operational and reporting requirements followed.

### Management of Waste and Emissions

Any waste, wastewater, or emissions with the potential to adversely impact human or environmental health shall be appropriately managed, controlled, and treated prior to release into the environment. This includes managing releases of active pharmaceuticals into the environment (PiE).



# Supplier Conduct Principles

## Climate Change

Suppliers shall monitor and reduce their GHG emissions and support their suppliers to do the same.

## Resource Efficiency

Suppliers shall strive for circularity, designing out waste, taking measures to improve efficiency and reduce the consumption of resources, including water, favoring renewable and sustainable sources. They shall also take measures to reuse and recycle.

## Biodiversity Conservation

Suppliers shall understand their impacts on biodiversity, reducing and mitigating their footprint wherever possible.

## Spills and Releases Prevention

Suppliers shall have effective systems in place to prevent and mitigate accidental spills and releases to the environment and adverse impacts on the local community.

